

2021 Budget Priorities

- 1) Improve our neighborhoods +
- 2) Support our small businesses +
- 3) Provide top-notch public services, spaces, & amenities =

2021 Budget Priorities

WHY these three priorities?

Safe, clean & healthy **neighborhoods**, vibrant **small businesses** and top-notch **public services, spaces** (parks & common areas), and **amenities** retain/attract the workforce/intellectual capital we need to grow our **large business** base. Conversely, larger businesses provide job opportunities for our residents, allow us to keep utility rates stable, provide income taxes to support basic services and the workforce will invest in our neighborhoods, improve our school performance & support our small biz. This creates the virtuous economic & social cycles we desire.

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Larger Businesses

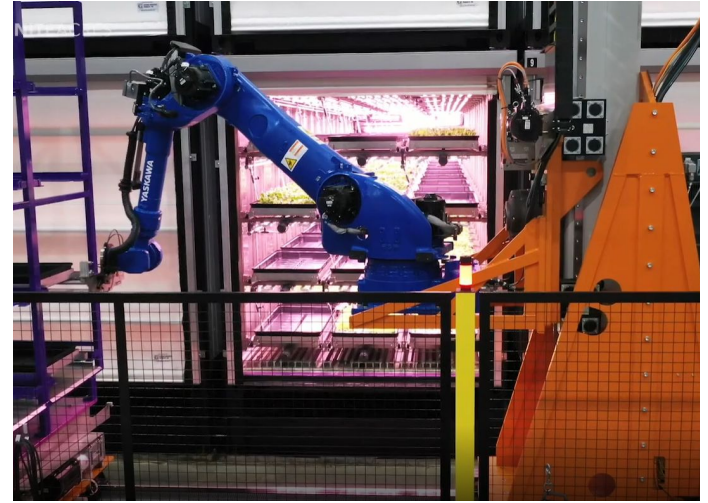






80 ACRES
FARMS

INFINITEACRES





WARNING AREA
ALL ACTIVITIES
CONSTRUCTION TRAFFIC
Kiesland
SAFETY PLANS
Kiesland

A NEW EXPANSION FOR
salvagnini
Kiesland
THINKING
OUTSIDE THE
BOX
BUILDING
HARD HAT
AREA





RESTAURANTS

**230+
ROOM
HOTEL**

**CONVENTION
CENTER**

**INDOOR
SOCCER
FIELD**

**MULTI
USE
COURTS**

ENTRANCE

**CONCESSIONS &
GYMNASTICS**

**OUTDOOR
SOCCER
FIELD**



NUMBER OF
EMPLOYEES

2010 TOP TEN EMPLOYERS

1250	FORT HAMILTON HOSPITAL
1250	HAMILTON CITY SCHOOL DISTRICT
900	BUTLER COUNTY
650	CITY OF HAMILTON
400	FIRST FINANCIAL BANK
325	MEIJER
300	THE KROGER COMPANY
250	GE AVIATION
200	SMART PAPERS LLC
200	THYSSENKRUPP BILSTEIN

Total: 5,725 jobs

NUMBER OF
EMPLOYEES

2019 TOP TEN EMPLOYERS

1500	BUTLER COUNTY
1185	HAMILTON CITY SCHOOL DISTRICT
1010	FORT HAMILTON HOSPITAL
700	THYSSENKRUPP BILSTEIN
650	COMMUNITY FIRST SOLUTIONS
622	CITY OF HAMILTON
400	MIAMI UNIVERSITY
300	BARCLAYCARD
290	DARANA HYBRID
245	BETHESDA BUTLER HOSPITAL

Total: 6,902 jobs

Others: Salvagnini, 80 Acres, iMFLUX, Saica, Valeo, Synergy, Kirsch CPA, ODW Logistics, United Performance Metals, Connector Manufacturing

2021 Budget Actions - HOW? (1 of 4)

- Fire Quint Replacement - \$750,000
- Two New Fire Engines - \$475,000 each
- Police Cruisers - \$350,000
- Fire Station #25 Rehabilitation - \$300,000
- New Life squad - \$200,000 - Purchased with CARES Act funds
- Police Body Cameras and Tasers - \$150,000
- Police Headquarter Repairs - \$50,000
- Fire Station #21 Rehabilitation - \$40,000

2021 Budget Actions - HOW? (2 of 4)

- **Perform a comprehensive Blight Audit: \$50,000**
- **Enhance code enforcement efforts: \$171,000**
- **Create and enforce at-risk property registries: (ProChamps)**
- **Double demolition budget to: \$200,000**
- **Purchase additional equipment for Quick Strike Team: \$300,000**

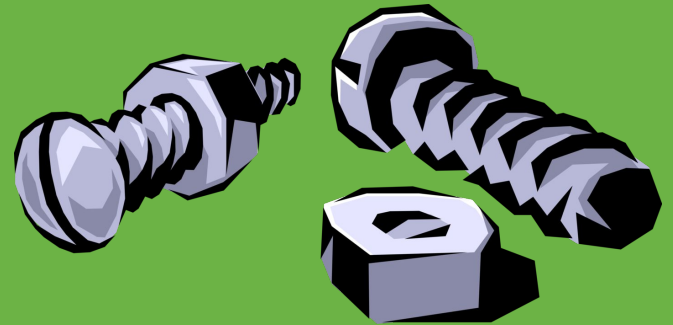
2021 Budget Actions - HOW? (3 of 4)

- Proactive investment of \$27 million in utility and roadway upgrades/improvements to provide safe and reliable services to our residential users and to assist current businesses and attract new, larger businesses
 - Investing \$17MM in HEP to increase electric and water service and reliability
 - Modernizing/improving utility plants - \$7.4MM
 - Replacement of distribution and collection system infrastructure (poles, sewers, mains) - \$8.98MM

2021 Budget Actions - HOW? (4 of 4)

- **Expand Hamilton's Craft & Cocktail Quest Program**
- **Launch 'Operation Takeout' to support our restaurants**
- **Work directly with small businesses to enhance digital footprint & ecommerce capabilities**
- **Evaluate other take-out and curbside parking opportunities**
- **Expand outdoor dining locations**

2021 Budget Nuts & Bolts



2021 General Fund Budget

- The proposed budget is not structurally balanced. We have a \$1.59 mm deficit that will be covered by fund balance.
- Actual 2020 income tax collections through October plus November and December projected compared to 2019 Actual through December (highest collection year) is projected to be down \$509,000 or 2.2%. We are projecting to meet the 2020 budget for income tax revenues. Excludes JEDD's.
- 2021 income tax revenue is budgeted down conservatively at \$21.6 mm, down \$400,000 or 1.8% from 2020 (\$22.0 mm budgeted)
- Public Safety (includes Courts and 911 Dispatch) is budgeted to be 70.4% of 2021 GF Expenses



2021 General Fund Budget

- Reimbursements from other funds to the General Fund are down \$352k. This includes a \$346k reduction to the four utility funds and is a result of decreased budgets in various departments throughout the General Fund that are partially reimbursed through interfund chargebacks
- Planning, Civil Service and Finance combined are down \$493k compared to the 2020 Adopted Budget.



INCOME TAX Overview

Income Tax Collections through December

2020 General Fund Income
Tax Budget \$22 mm

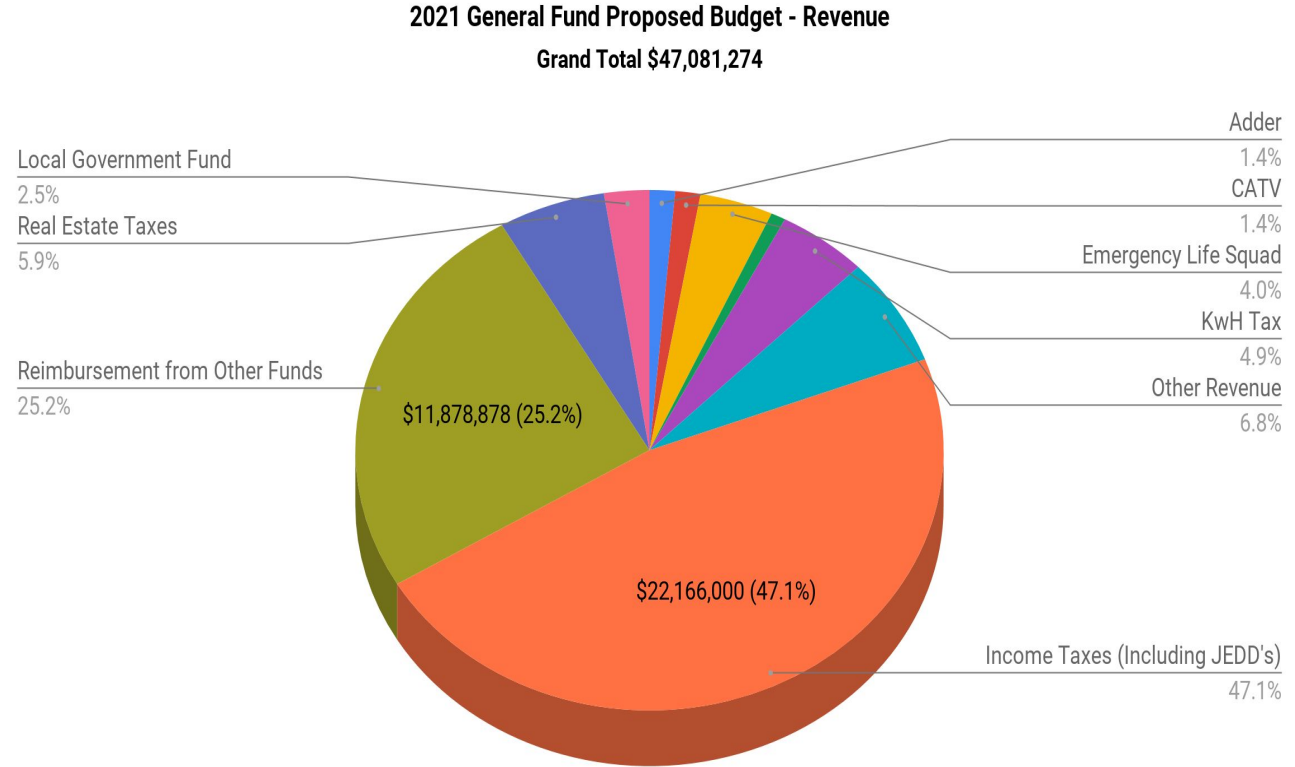
Excludes JEDD's

*2020 November and
December Projected

	<u>2019</u>	<u>2020</u>	<u>Change</u>
January	1,903,068	2,031,039	127,971
February	1,640,465	1,722,942	82,477
March	1,687,016	1,561,172	(125,844)
April	2,330,420	1,806,718	(523,702)
May	2,624,289	736,526	(1,887,763)
June	1,796,227	1,559,585	(236,642)
July	1,790,079	2,204,185	414,106
August	1,886,616	2,470,543	583,927
September	1,786,443	1,789,159	2716
October	1,829,949	2,738,280	908,331
November	1,510,852	2,141,492*	630,640
December	1,985,049	1,500,000*	(485,049)
Total	22,770,473	22,261,641	(\$508,832)

General Fund Highlights

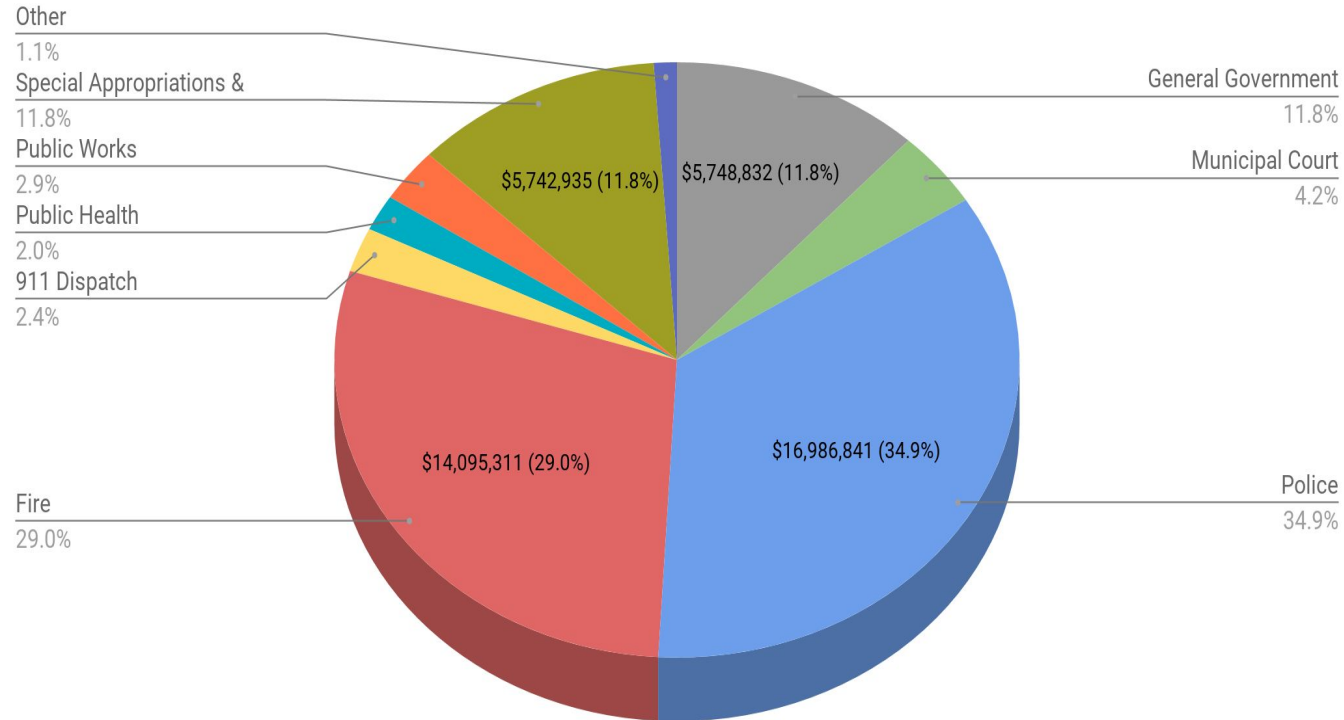
2021 income tax projections were reduced by 5% of 2019 actual collected. Budgeted Reimbursement from Other Funds decreased \$352k or 2.87% compared to 2020 Adopted Budget. This includes a \$346k reduction to the four utility funds and is a result of decreased budgets in various departments throughout the General Fund that are partially reimbursed through interfund chargebacks.



General Fund Highlights

Public Safety
70.43%

2021 General Fund Proposed Budget - Expenditures
Grand Total \$48,670,652



Note: Public Safety includes Hamilton Municipal Court and 911 Dispatch

General Fund Highlights

*Neighborhoods added an additional position during 2020 not included in the 2020 adopted budget.

**Building added one new Electric Inspector in anticipation of current Electric Inspector 2021 retirement.

***Planning is down due to attritioning positions.

Department	2020 Adopted	2021 Proposed	\$ Change	% Change
City Council	80,613	87,852	7,239	8.98%
City Clerk	102,361	97,076	(5,285)	(5.16%)
City Manager	425,506	398,955	(26,551)	(6.24%)
Neighborhoods	348,231	490,229	141,998	40.78%
Building**	556,770	655,579	98,809	17.75%
Planning***	603,656	453,460	(150,196)	(24.88%)
Civil Service	535,363	420,983	(114,380)	(21.36%)

Departments shown have a 5% or greater change from 2020 to 2021

General Fund Highlights

*Code Enforcement employees moved from Health Department budget to Special Appropriations - General Fund budget in 2021.

**Additional \$232K included in 2020 adopted budget for transfer to Fund 215 for public safety equipment.

Department	2020 Adopted	2021 Proposed	\$ Change	% Change
Finance	2,523,373	2,294,646	(228,727)	(9.06%)
Public Works	1,275,730	1,414,210	138,480	10.85%
Health*	1,279,953	956,024	(323,929)	(25.31%)
Special Appropriations*	5,436,280	5,995,515	559,235	10.29%
Transfers**	<u>1,152,491</u>	<u>920,000</u>	<u>(232,491)</u>	<u>(20.17%)</u>
Total	\$14,320,327	14,184,529	(135,798)	(0.94%)
Total GF Budget	\$47,859,400	\$48,670,652	\$811,252	1.70%

Departments shown have a 5% or greater change from 2020 to 2021

Public Safety Expenses

*Includes cost of 7 School Resource Officers (SROs). Approximately \$380k (75%) will be reimbursed from Hamilton City Schools (HCS).

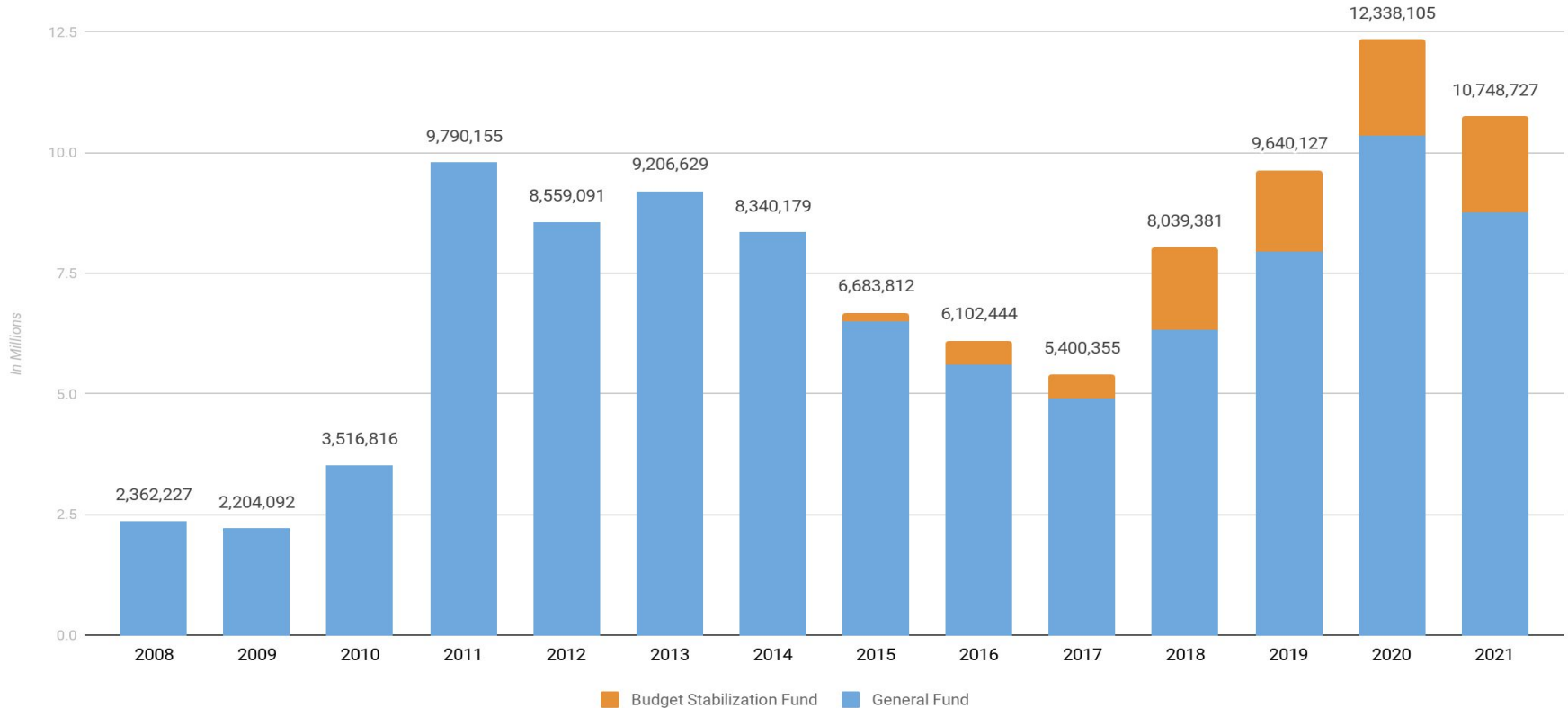
An additional 3 sworn officers will be reimbursed with grant revenue.

	Total 2016 Actual	Total 2021 Proposed	Total Change	Change in Budgeted Sworn Complement
Police	13,436,215	16,986,841	3,550,626	+10*
Fire	12,049,498	14,095,311	2,045,813	+7
Total	\$25,485,713	\$31,082,152	\$5,596,439	+17

General Fund Highlights

	2020 Projected	2021 Proposed
Beginning Year Fund Balance (01/01)	\$8,636,701	\$10,338,105
Budgeted Revenues	\$47,859,400	\$47,081,274
Projected Revenue	\$46,859,400	-
Budgeted Expenditures	\$47,859,400	\$48,670,652
Projected Expenditures	\$44,457,996	-
Projected Ending Fund Balance (12/31)	\$11,038,105	\$8,748,727
Outstanding Encumbrances	700,000	-
Projected Ending Unencumbered Balance (12/31)	\$10,338,105	\$8,748,727
10% of Revenues per City Policy (R2012-6-25)	\$4,685,940	\$4,708,127

General Fund Ending Unencumbered Fund Balance



General Fund
Capital & Debt
CDBG Funds

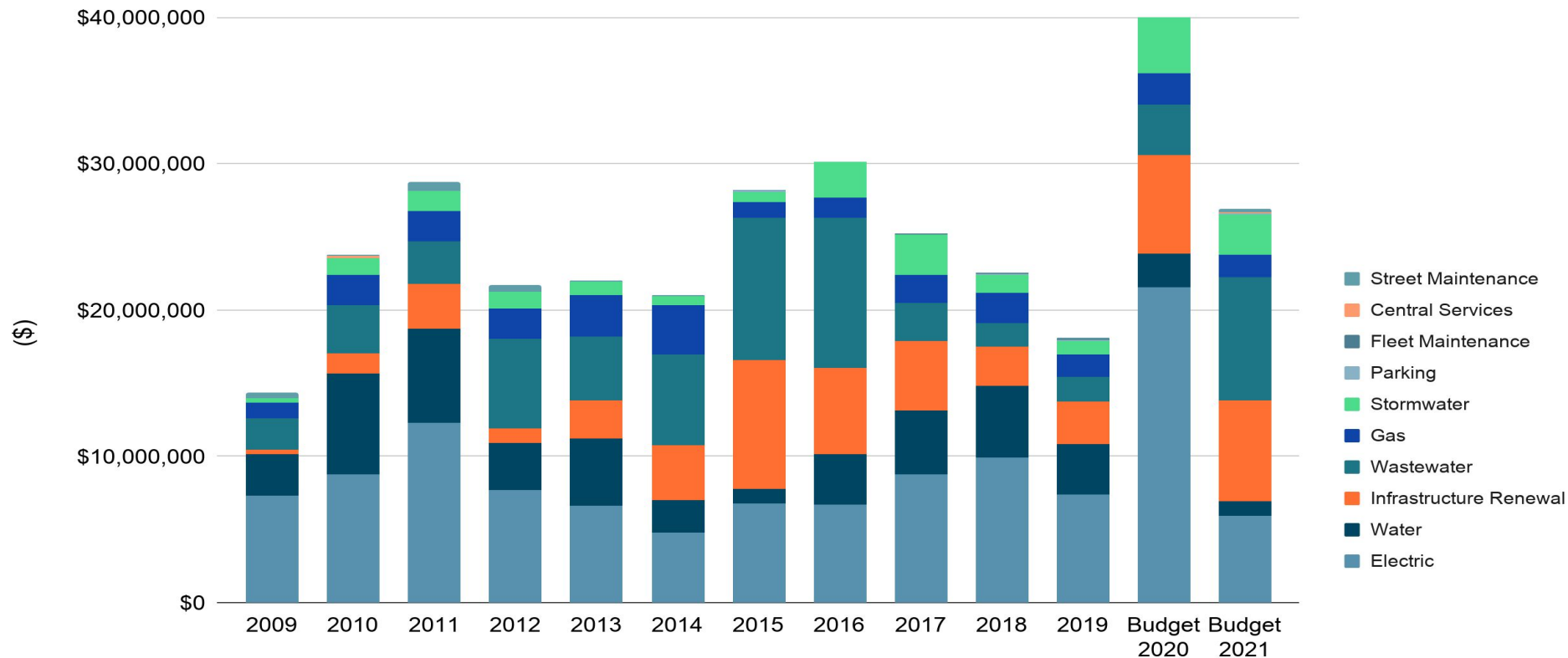
Hamilton Capital & Debt Fund Budget Highlights

Fund 215 (Cap & Debt Fund) Revenues		Fund 215	
Income Taxes	2,791,187	Police - HQ Building Repairs	50,000
Miscellaneous	47,000	Police - Cruisers	350,000
US Bank BAN Roll Proceeds	1,000,000	Police - Body Worn Cameras	125,000
County Reimbursement - B St.	2,500,000	Police - Tasers	25,000
State Grant - Beltline	560,000	US Bank BAN Roll	1,000,000
	\$6,898,187	Beltline	800,000
		B Street Improvements	2,500,000
		Parks Conservancy	100,000
		Other (Cap. Exp/Refunds/BTW Pool Repair)	164,000
		Transfers Out (Incl. Debt)	2,418,432
			\$7,532,432

CDBG Fund Expenses 2019-2020		CDBG Fund Expenses 2021 Requested	
Fire - Station #21 & 26 Public Facilities Improvements	158,233	Fire - Station #21 Rehabilitation	40,000
Fire - Station #24 Modernization	300,000	Fire - Apparatus Quint Replacement	750,000
Fire - Engine Replacement	500,000	Fire - Station #25 Public Facilities Rehabilitation	300,000
Fire - Engine Replacement	<u>500,000</u>	Fire - Life Squad Replacement	<u>200,000</u>
	\$1,458,233		\$1,290,000
		CDBG Capital Budget Highlights	

Proposed Capital Investments

We are investing \$26.9MM of infrastructure improvements in our community



Neighborhoods: Streets Levy 2021

Neighborhoods in **BOLD** to have resident priority streets repaved, reconstructed, or maintained in 2021 using Streets Levy funds

Armondale

Dayton Lane

Downtown/CBD

East End

Enterprise Park

German Village

Highland Park

Jefferson

Lindenwald

Millikin

New London

North End

Prospect Hill

Riverview

Rossville

Taft Pl/Governor's Hill

Washington

Every neighborhood will receive its proportionate share of Streets Levy funds throughout the duration of the Levy from '21 - '30 based on that neighborhood's % of centerline miles of roads in the city.

Citywide Streets Levy Feedback

- | | |
|------------------------------|--------------------------|
| 1. Grand Blvd | Completed 2020 |
| 2. Tylersville Rd | Scheduled 2021 |
| 3. Sanders Dr | Scheduled 2021 |
| 4. NW Washington Blvd | |
| 5. Cleveland Ave | Scheduled 2021 (partial) |
| 6. Corwin Ave | Scheduled 2022* |
| 7. Park Ave | |
| 8. Eaton Ave | Completed 2020 |
| 9. Campbell Dr | |
| 10. Springvale Dr | |

**After Sanitary Sewer replacement in 2021*

Public Investments (Streets)

1. Concrete Repair and Resurfacing (\$2.125MM, \$1.05MM grant)

- a. Elmont (from Hunt to Western)
- b. Madison (from St Clair to Clinton Alley)
- c. Monument (from Hurm to Neilan)
- d. Hurm (entire)
- e. Stephens (entire)
- f. Highland (from Armo to Eaton)
- g. Allen, Noyes, Hayes, Brough and Chase (from Benninghofen to Madison)

2. Tylersville Road (from Bypass 4 to HEP Drive) (\$2.7MM)

An aerial photograph showing a large-scale construction project at Hamilton Enterprise Park. The image is divided into several sections. In the upper left, a multi-lane highway is labeled 'BYPASS 4'. To the right of the highway, a residential area with several apartment-style buildings and two small ponds is visible. A road running horizontally across the middle of the image is labeled 'GATEWAY AVE'. Below Gateway Ave, on the left, is a large rectangular area of dark, graded earth, outlined with a dashed black line and labeled 'NEW SUBSTATION'. To the right of the substation, a large, irregularly shaped area of cleared land is outlined with a dashed black line and labeled 'POTENTIAL WATER TOWER LOCATION'. The foreground shows more cleared land and some trees. The overall scene depicts a major infrastructure and park improvement project.

BYPASS 4

GATEWAY AVE

NEW SUBSTATION

**POTENTIAL WATER
TOWER LOCATION**

**Hamilton Enterprise Park
Improvements**

**SUBSTATION
SERVICE AREA**


**80 ACRES
FARMS**

TYLERSVILLE RD

BYPASS 4

**SUBSTATION AND
POTENTIAL WATER
TOWER LOCATION**

**WATER TOWER
SERVICE AREA**



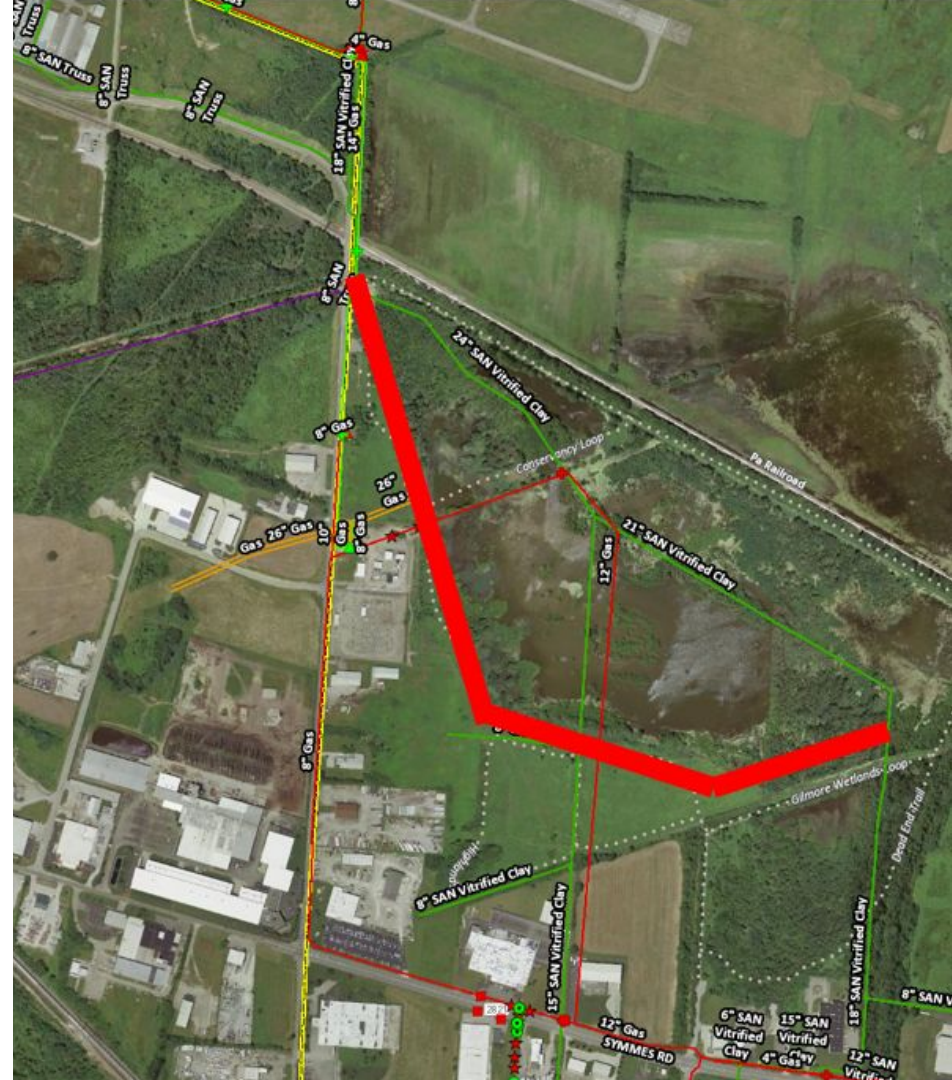
Greenup Hydroelectric Plant Improvements (\$4.3MM)

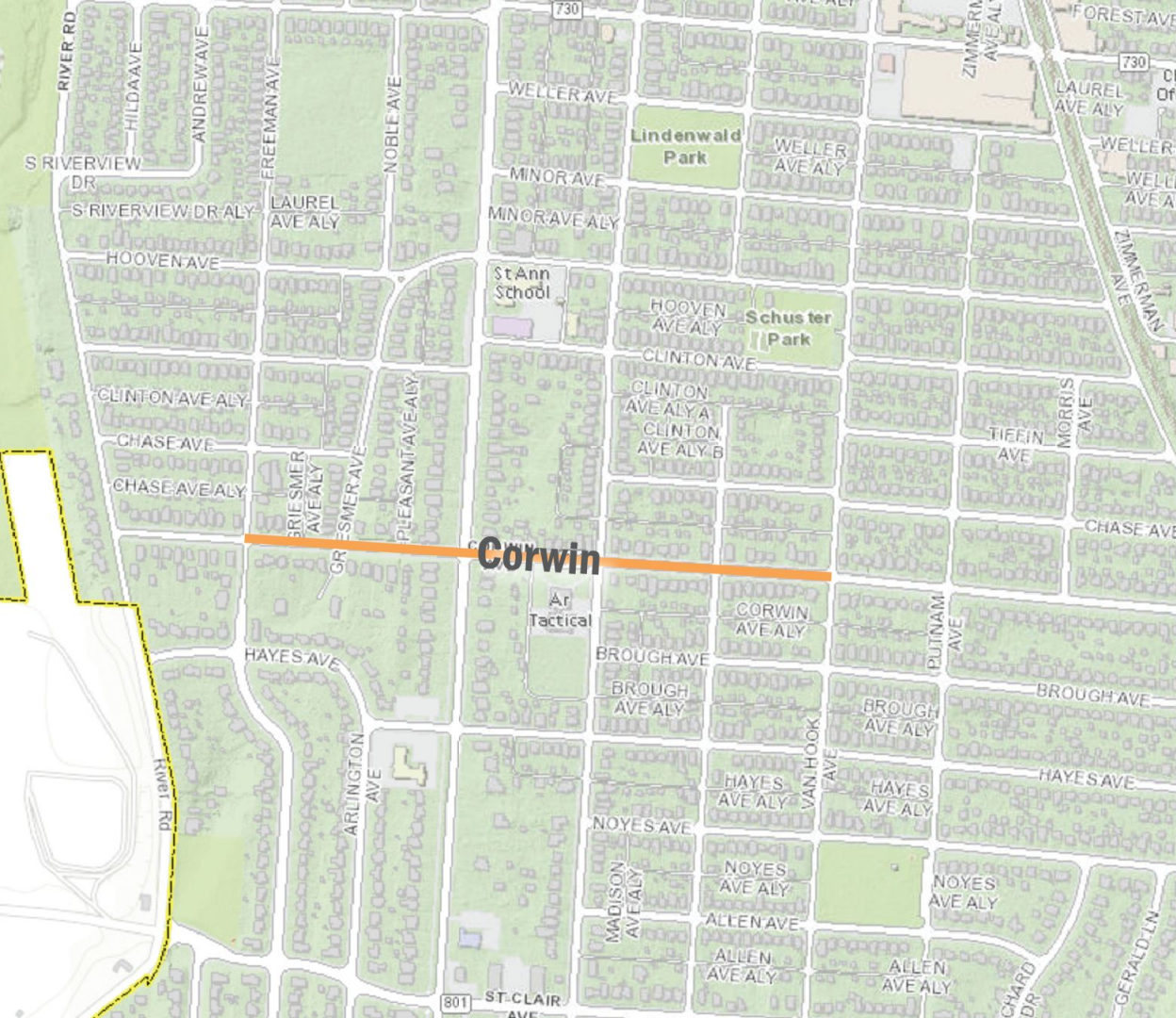
- FERC Relicensing - \$830K
- Plant Controls Upgrade - \$700K
- Generator Step-Up Transformer - \$600K
- Downstream Gate Upgrade - \$450K
- 138kV Cabling Replacement - \$450K



Gilmore Ponds Sanitary Sewer Replacement (\$3.0MM)

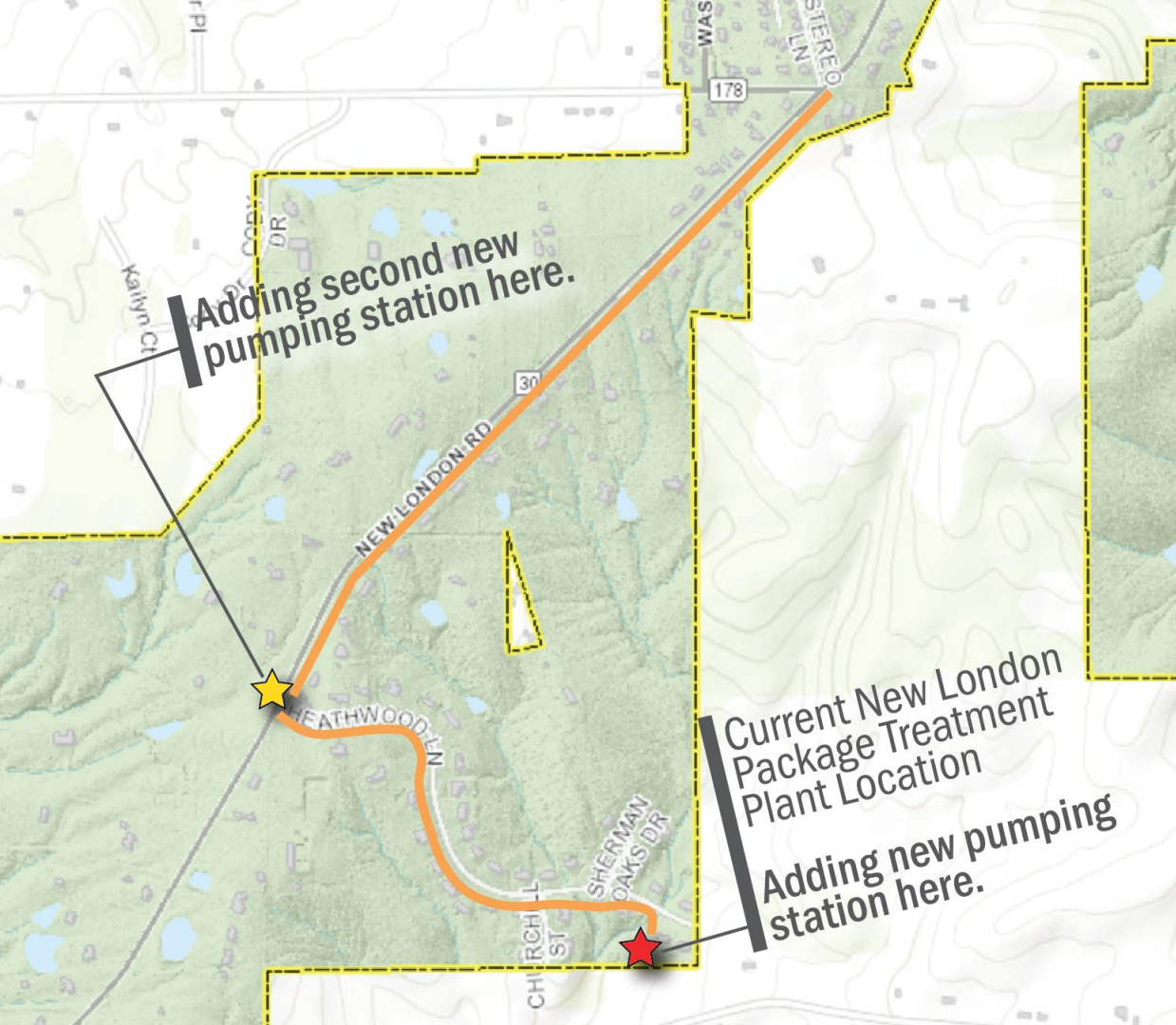
- Abandon 5,964 LF of vitrified clay pipe located in the wetlands of Gilmore MetroPark
- Install new PVC pipe along the proposed Miami 2 Miami recreational trail route
- Reduce inflow and infiltration
- Easier access to perform routine maintenance and inspections





\$2.6
Million

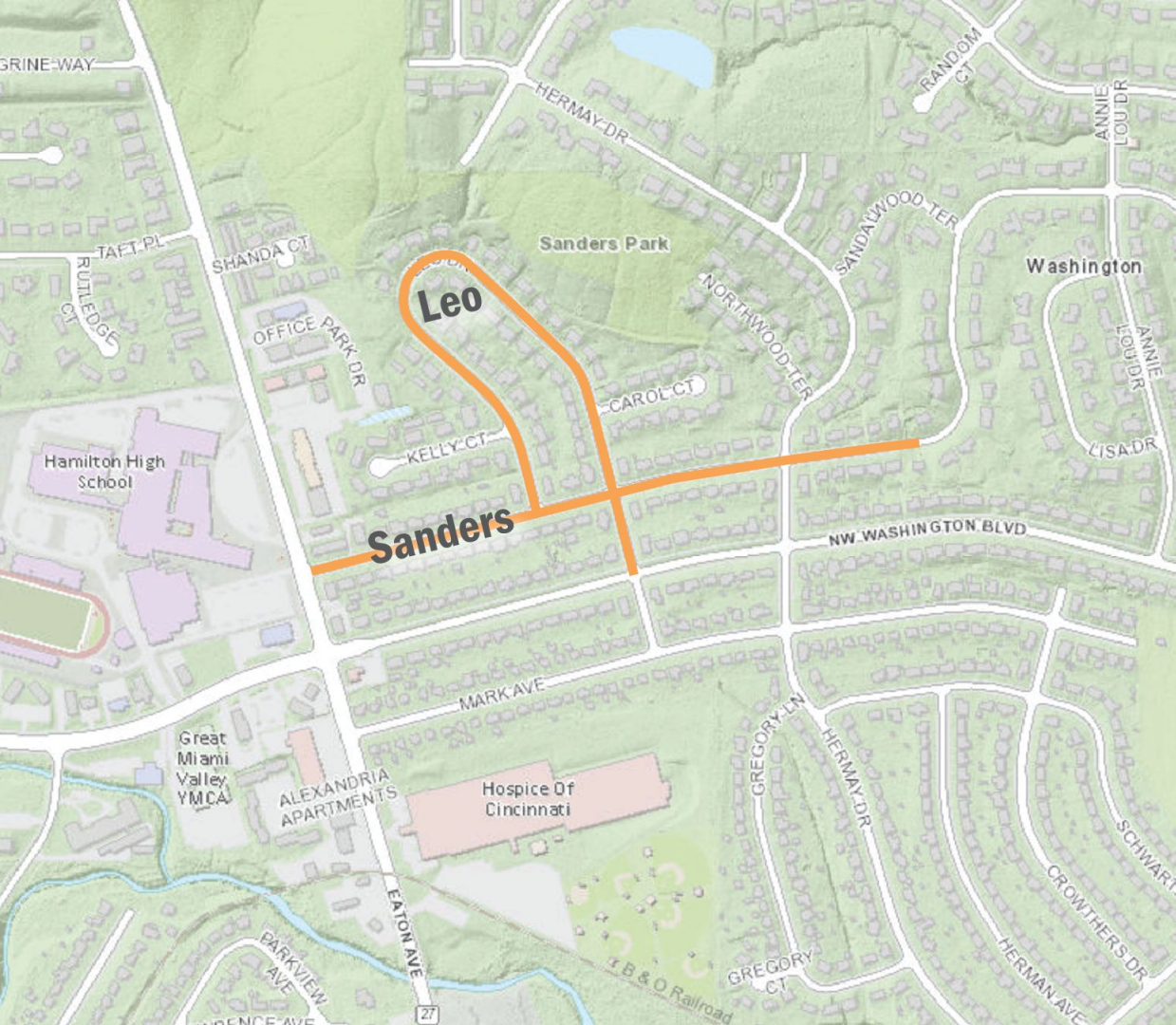
2021
**Sanitary Sewer
Replacement**



\$1.5
Million

2021

**Pumping
Stations &
Sanitary
Force Mains**



\$1.2
Million

2021

**Water Main
Replacement
& Street
Resurfacing**



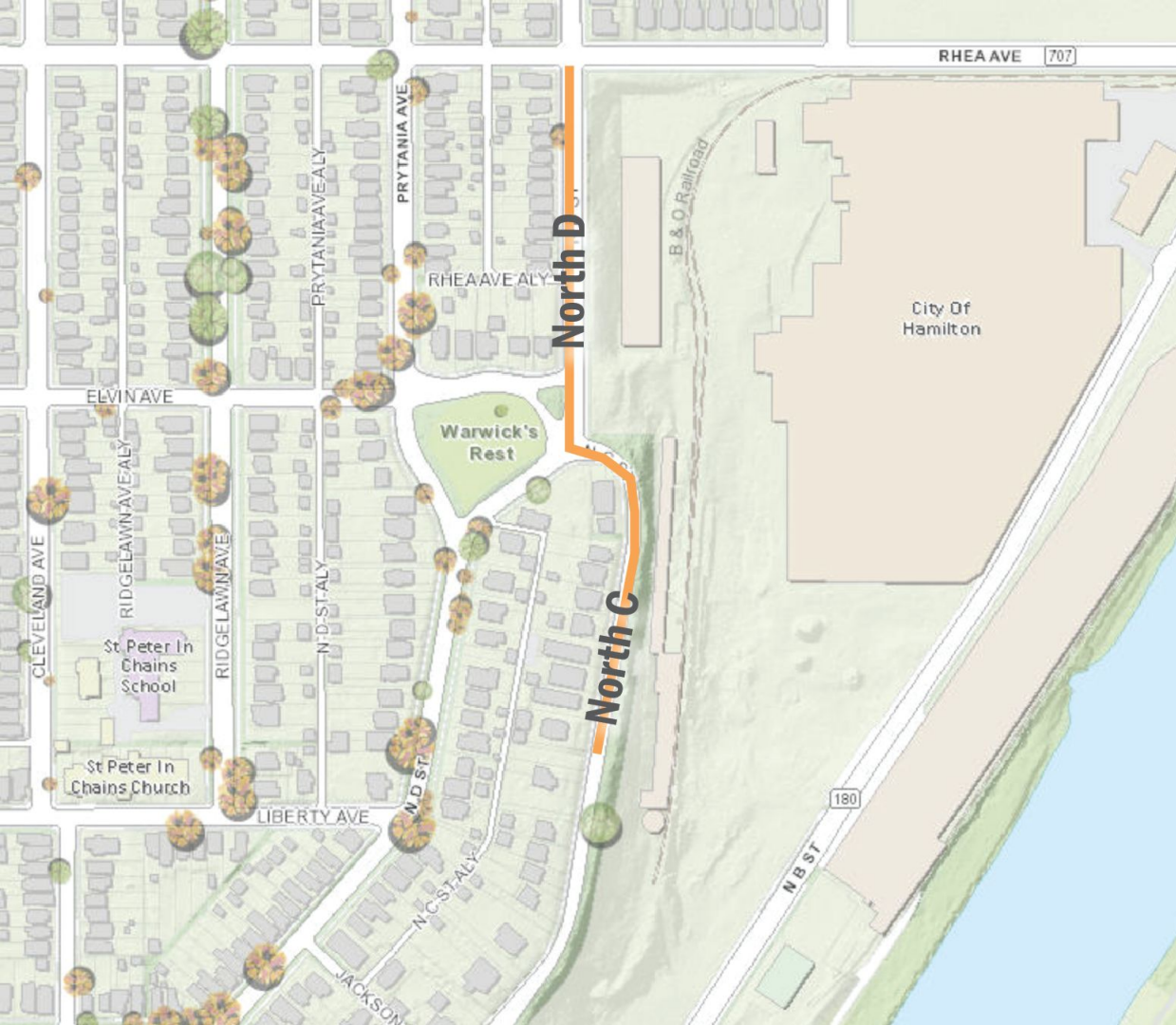
Electric Pole Replacements (\$1.0MM)

- Includes pole replacements, tree trimming, and parts (including transformers)

Water Reclamation Plant Improvements (\$713K)

- Influent Pump Replacement - \$250K
- Biosolids Loadout Engineering - \$100K
- Wet Weather Sewage Grinder - \$100K
- Overhead Crane for Main Equipment Building - \$100K

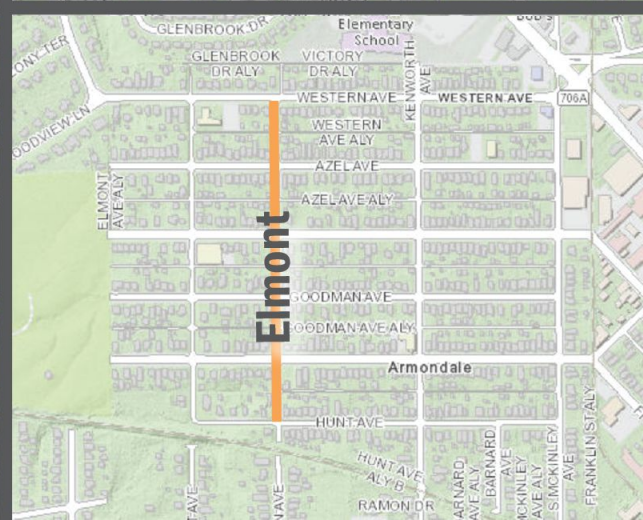
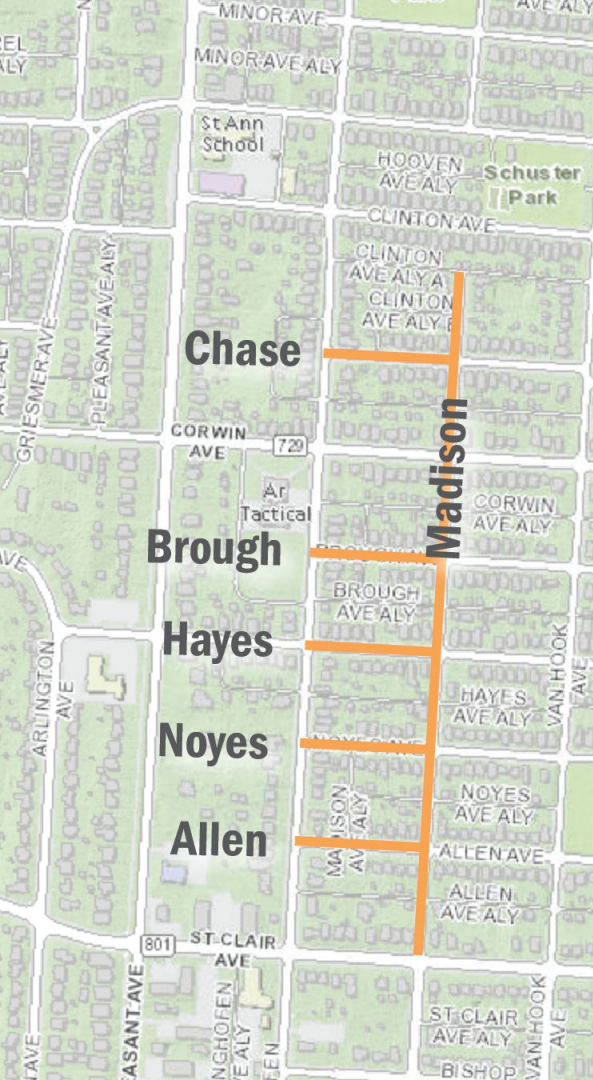




\$500k

2021

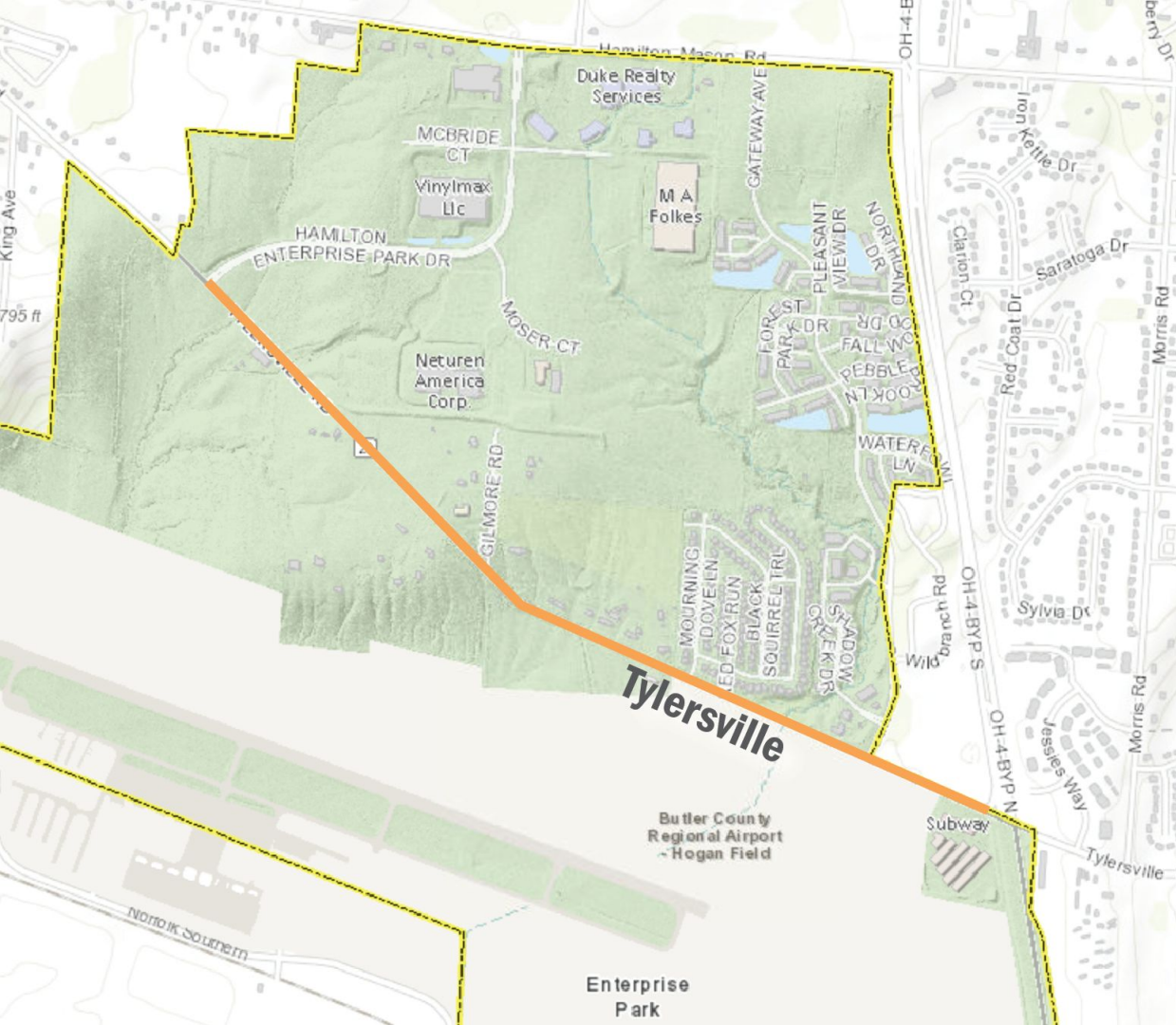
**Storm Sewer
Replacement**



\$2.125
Million

Includes \$1.05 Million grant

2021
**Street
Resurfacing**




\$3.2
Million

2021
**Street
Reconstruction**

Centralized Traffic Signal System (\$5.2MM total, \$4.2MM grant)

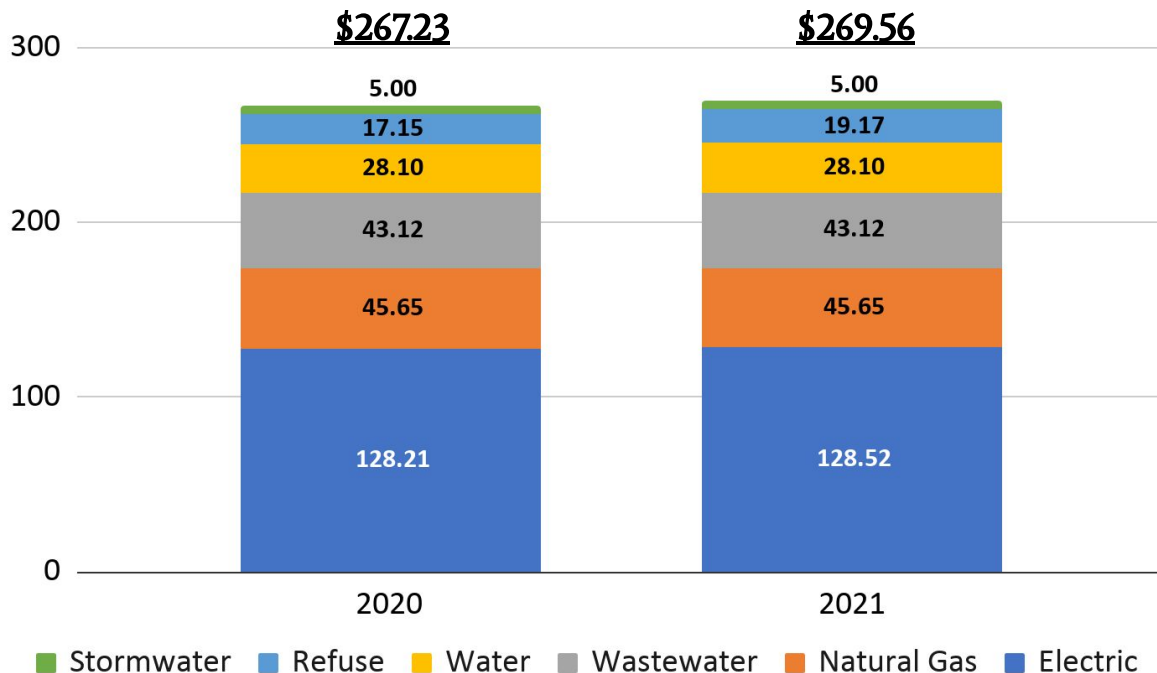
- Citywide signal upgrades
- \$5,251,094 Investment
- Design began in February 2020
- Construction to begin October 2021 with completion within 18-24 months
- Provides signal timings for real-time traffic conditions
- Adapts to changes in traffic as they happen, i.e., weather, construction, and major events
- Reduces or eliminates costs of manual traffic counts
- Provides new levels of mobility and safety





Residential Utility Bills

Total utility bill projected to increase less than 1%, or \$2.33 per month, for the average resident. The increase is mostly due to a 2021 increase in the residential refuse rate.



Overview

Collections

- Accounts receivables through September (\$1.7MM) down \$233K from the same period in 2019
- Customer Service with support of SELF and CARES Act funds has collected nearly all of the past due bill accumulated while disconnections were suspended
- Power and Gas Cost Recovery riders are appropriately recovering supply costs

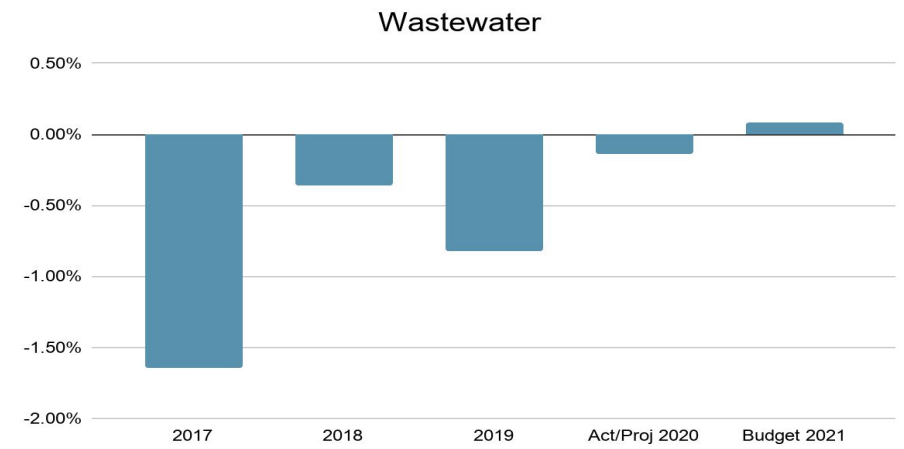
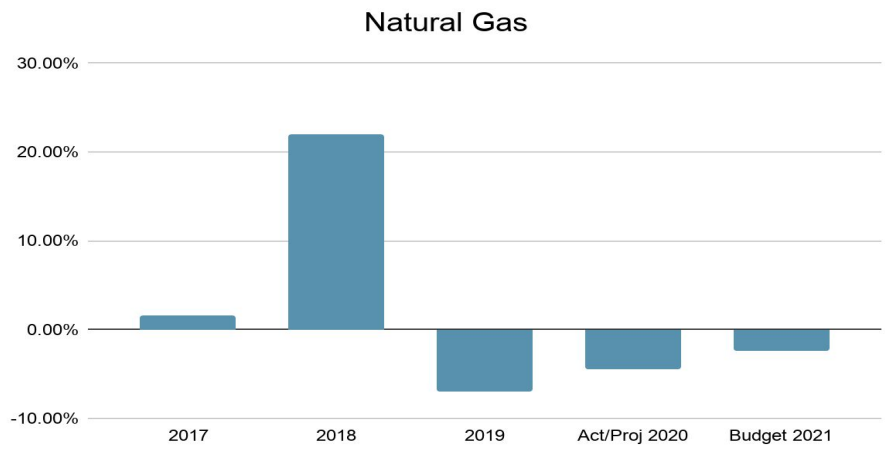
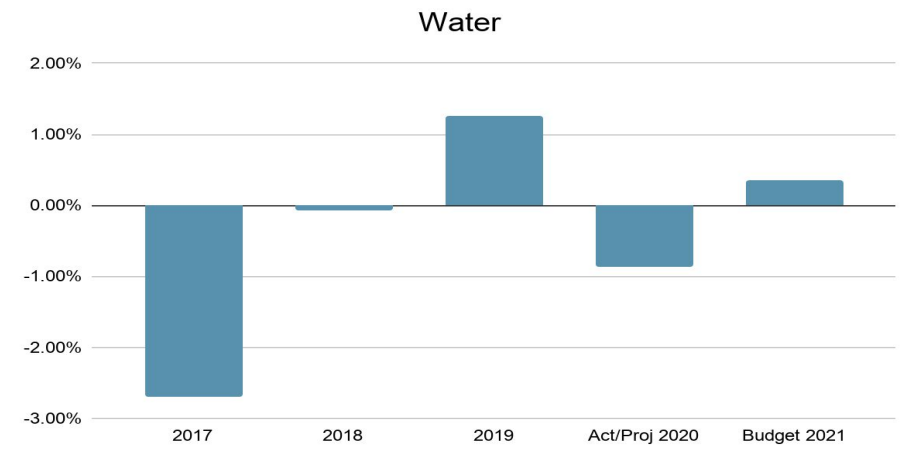
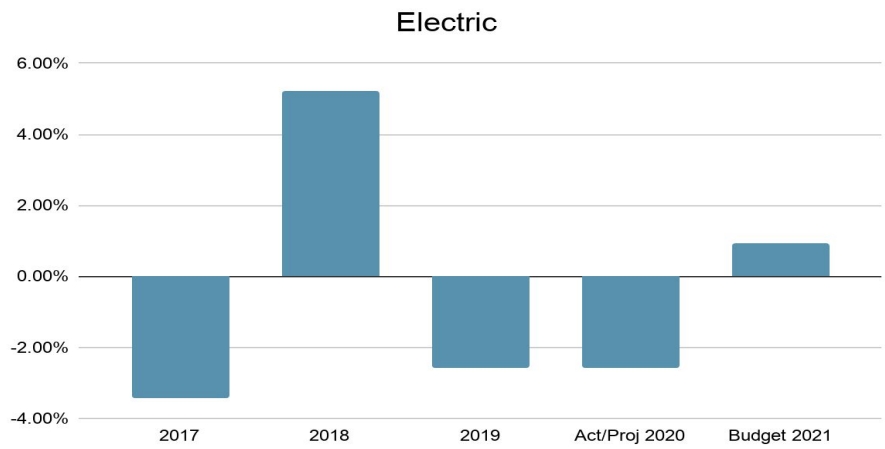
COVID 19 Response

- Infrastructure funds delayed \$8.5MM of operating and capital projects to preserve fund balance
- Budget delays have offset slightly reduced revenues
- All utility funds projected to meet or exceed budgeted debt service coverage ratios and fund balance targets.

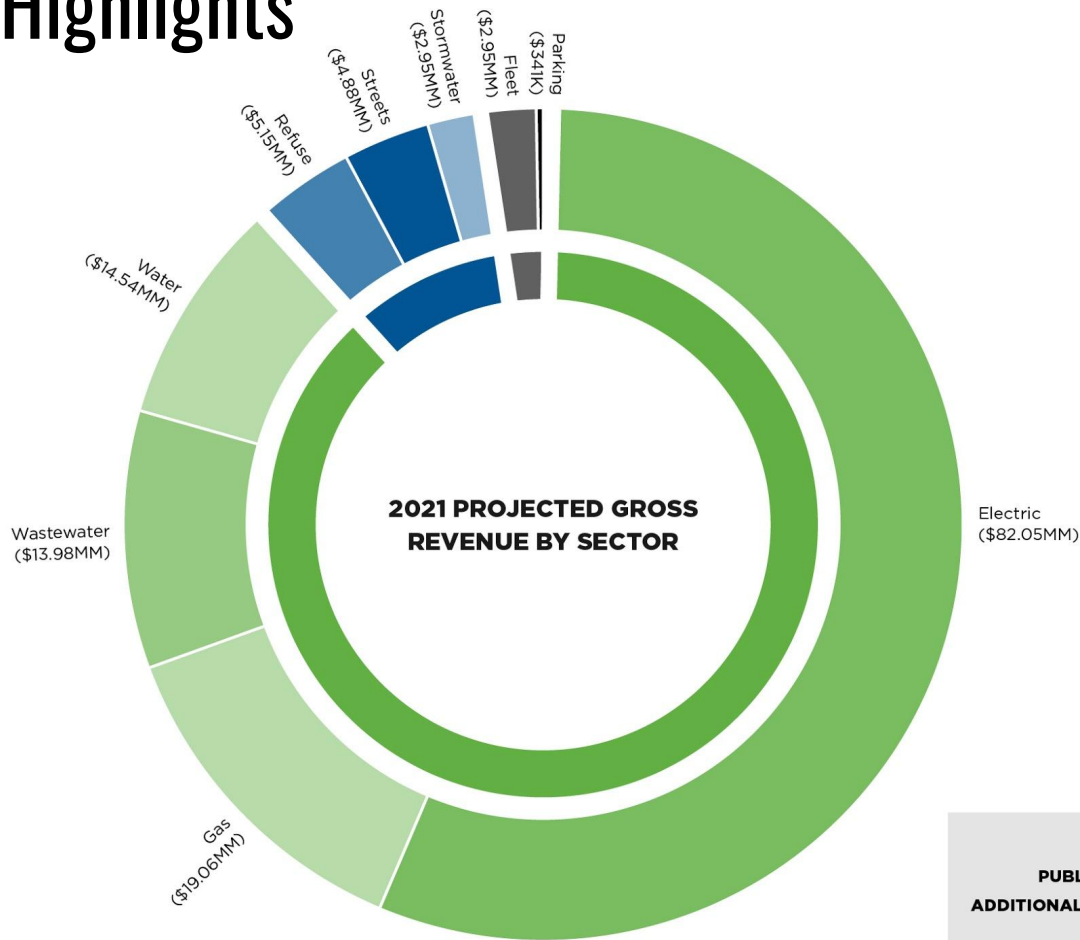
Customer Usage

- Natural Gas usage down 5% from last year due to more mild weather
- Electric usage down 1.7% from last year due to decreased commercial usage due to COVID
- Water usage up 2% from last year due to increased Butler County usage
- Wastewater flows down 2% from last year due to decreased Butler County flows

Annual Change in Consumption



Revenue Highlights



O&M Highlights

11/20/2020

Fund	2020 Budget	2021 Proposed	(\$) Change	(%) Change
Stormwater	\$1,350,750	\$1,521,146	\$170,396	12.6%
Street Maint.	\$3,149,307	\$3,542,454	\$393,147	12.5%
Natural Gas	\$18,331,262	\$16,913,773	(\$1,417,489)	(7.7%)
Electric	\$75,980,325	\$76,388,034	\$407,709	0.5%
Water	\$11,190,105	\$11,641,215	\$451,110	4.0%
Wastewater	\$8,103,960	\$8,325,835	\$221,874	2.7%
Parking	\$527,676	\$513,807	(\$13,868)	(2.7%)
Fleet	\$3,121,365	\$2,955,737	(\$165,628)	(5.3%)
CS/Meter Reading	\$2,869,870	\$2,981,543	\$111,673	3.9%
Telcomm	\$567,215	\$591,540	\$24,325	4.3%

2020 to 2021 FTE Comparison

FTEs

- 1) 2020 Budgeted Positions (Includes PT and Seasonal) = 677
- 2) 2021 Budgeted Positions (Includes PT and Seasonal) = 676
- 3) Current Full-Time Positions **Only** = 593

Down 5 Positions w/ Budget Reductions in Spring 2020

New Positions

- 1) Natural Gas Leak Surveyor [perform safety compliance required leak survey of gas system, prepare/submit regulatory report, succession planning]
- 2) Associate Civil Engineer [oversee design, engineering and quality control/inspections for street paving/improvements]
- 3) Application Support Specialist[supports computer applications setup, administration and security for all departments]
- 4) Electric Inspector [This will only be a new position for training purposes as current Electric Inspector is expected to retire in 2021]

2020 vs 2021 - Budget Comparison

2020 vs 2021 - General Fund Budget Comparison

- 1) Decreased income tax revenue by \$400,000 or 1.82% compared to 2020 Adopted Budget. Note - 2020 Adopted Budget for income tax revenue was conservatively budgeted \$770,000 or 3.38% less than 2019 actual collections.
- 2) Budgeting \$200,000 in 2021 vs \$100,000 in 2020 Adopted Budget for blight remediation and nuisance demolitions
- 3) Chargebacks to utilities down \$346,000 from 2020 Adopted Budget
- 4) At this point, the 2021 grand total proposed budgeted expenditures are \$48,670,652 vs. the 2020 Adopted Budget of \$47,859,400

Takeaways

Takeaways

- 1) Conservative budget due to uncertainty surrounding COVID-19, while remaining focused on neighborhoods, small businesses and maintaining public services and spaces (all which allow us to retain/recruit larger businesses)
- 2) 2021 budgeted FTEs are less than what was budgeted in 2020
- 3) Utility rates are stable
- 4) General Fund expenditures budgeted for 2021 are very similar to 2008 actual expenditures - not adjusted for inflation

QUESTIONS + **COMMENTS**

